

ORIGINAL

MEMORANDUM



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AZ CORP COMMISSION  
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TO: Docket Control  
FROM: Ernest G. Johnson *EJ*  
Director  
Utilities Division

DATE: December 6, 2001

RE: STAFF REPORT FOR VOYAGER WATER COMPANY'S APPLICATION TO  
EXTEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY (DOCKET  
NO. W-02104A-01-0742)

Attached is the Staff Report for Voyager Water Company's application to extend its  
Certificate of Convenience and Necessity. Staff recommends approval following a hearing.

EGJ:JEF:lhv

Originator: James E. Fisher

Attachment: Original and Ten Copies

Arizona Corporation Commission

DOCKETED

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Service List for: Voyager Water Company  
Docket No. W-02104A-01-0742

Mr. Douglas G. Lemke  
Brown & Bain  
One South Church Street, Floor 19  
Tucson, Arizona 85702-2265

Mr. Christopher C. Kempley  
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Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Mr. Ernest G. Johnson  
Director, Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Ms. Lyn Farmer  
Director, Hearing Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

**STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION**

**VOYAGER WATER COMPANY**

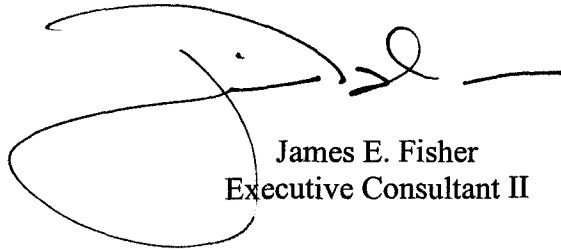
**DOCKET NO. W-02104A-01-0742**

**APPLICATION FOR AN  
EXTENSION OF ITS  
CERTIFICATE OF CONVENIENCE AND NECESSITY**


**DECEMBER 2001**

## STAFF ACKNOWLEDGMENT

The Staff Report for Voyager Water Company, Docket No. W-02104A-01-0742, was the responsibility of the Staff members listed below:



James E. Fisher  
Executive Consultant II



Dorothy Hains  
Water/Wastewater Engineer

**EXECUTIVE SUMMARY  
VOYAGER WATER COMPANY  
DOCKET NO. W-02104A-01-0742**

Voyager Water Company, located near Tucson, in Pima County, serves 253 customers and is requesting Commission authorization to extend its service territory to include two adjacent parcels.

Voyager has received requests for service from two developers, to extend services to the contiguous parcels. The utility and the developers are in negotiation regarding terms of a main extension agreement for the required facilities. Voyager has sufficient production to serve the current and future customers. Voyager is in compliance with applicable requirements.

Staff recommends that the Commission grant Voyager's extension request with the following conditions:

- Require the Company to file a copy of the 100 Year Assured Water Supply.
- Require the Company to charge its existing rates in the extension area.
- Require the Company to provide a copy of the Approval to Construct.

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### **Attachments**

Legal Description and Map

## **Introduction**

On September 19, 2001, Voyager Water Company, ("Voyager") filed an application with the Arizona Corporation Commission ("ACC") for an Extension of its Certificate of Convenience and Necessity ("CC&N") to portions of Pima County, to provide water services. On November 19, 2001, Voyager provided Staff with additional information regarding the application.

## **Background**

Voyager is an Arizona corporation, authorized to provide water service in a portion of Pima County. The Company was authorized its original CC&N by the Commission's approval of Voyager's acquisition of Dewey Water Company, Inc., in Decision No. 53284, dated November 9, 1982. Voyager currently serves approximately 253 customers located near I-10 and Kolb Road in Pima County.

The requested extension territory consists of two parcels of vacant land contiguous to the existing service area. Staff has plotted the legal description of the requested extension area with no complications. The legal description and map are attached.

Voyager has received a request for service to the adjacent parcels by two developers. Voyager is in discussion with an affiliated company, Voyager RV Resort, LLC for one parcel, and Diamond Ventures, Inc., owner of the other parcel, to finance and construct the required facilities under a main extension agreement. Voyager may receive some of the facilities in an equity contribution through the affiliated company, Voyager RV Resort, LLC. However, there has been no final agreement on the required contract with the requesting parties.

Engineering designs for Voyager anticipate 350,000 gallons of additional storage capacity, booster station upgrades and transmission mains, estimated to cost \$3,950,000.

## **Arizona Department of Environmental Quality Compliance**

Voyager is in compliance with Arizona Department of Environmental Quality (ADEQ) regulations. Staff received a memorandum from ADEQ on October 4, 2001, stating that the Voyager system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4.

## **Department of Water Resources Compliance**

Voyager is requiring the requesting developers to obtain the Certificates of 100 Year Assured Water Supply issued by Arizona Department of Water Resources when the plat is complete.

### **System Analysis**

Voyager currently operates a production system that consists of three wells that can produce 1,950 gallons-per-minute. The system also has 400,000 gallons of storage capacity. Voyager currently serves 253 customers and has sufficient capacity to serve an additional 1,200 customers. Voyager has sufficient capacity to serve the extension area.

### **ACC Compliance**

A check with the Utilities Division Compliance Unit showed no outstanding ACC compliance issues.

### **County Franchise**

Voyager's current Pima County franchise includes the requested extension area.

### **Recommendations**

Staff recommends that the ACC grant approval of Voyager Water Company's application to extend the Certificate of Convenience and Necessity consistent with the legal description attached.

Staff further recommends that the Commission require Voyager Water Company to charge its existing rates and charges in the extension area.

Staff further recommends that the Commission require Voyager Water Company to provide a copy of each developer's Certificate of 100 Year Assured Water Supply issued by the Arizona Department of Water Resources for the extension area within 365 days of the date of the decision in this matter.

Staff further recommends that the Commission require Voyager Water Company to provide a copy of the Approval to Construct issued by the Arizona Department of Environmental Quality for each development in the extension area within 365 days of the date of the decision in this matter.



# MEMORANDUM

TO: Jim Fisher  
Executive Consultant II  
Utilities Division

FROM: Barb Wells *bw*  
Engineering Plans Technician  
Utilities Division

THRU: Del Smith *DS*  
Engineering Supervisor  
Utilities Division

DATE: September 24, 2001

RE: **VOYAGER WATER COMPANY (DOCKET NO. W-2104-01-742)**

The area requested by Voyager for an extension has been plotted with no complications.

Attached is a copy of the map for your files.

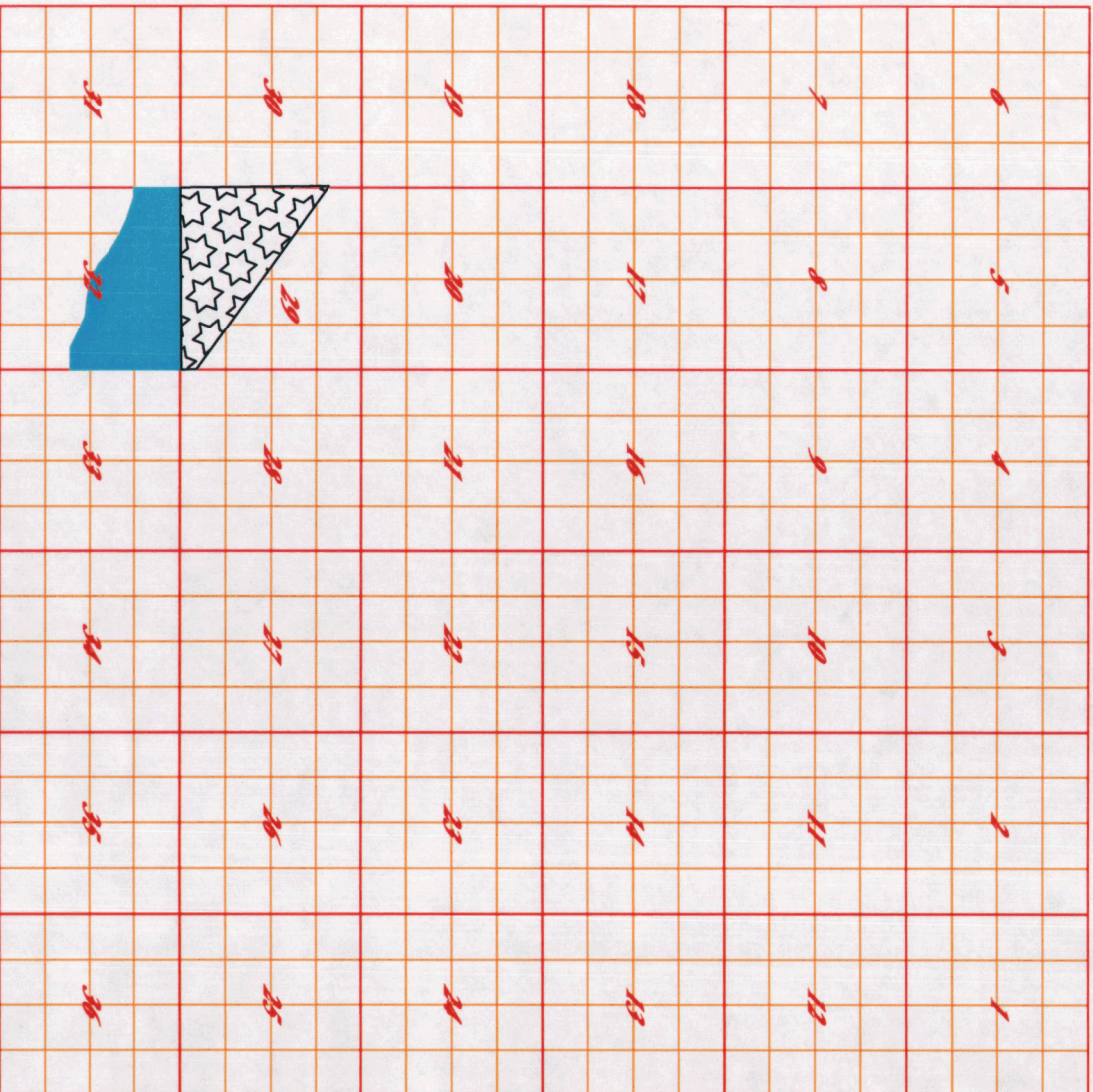
:bsw

Attachment

cc: John Bostwick  
Docket Control  
Mr. Norbert Isaacson  
Ms. Debbi Person  
File

# COCONINO COUNTY PIMA

RANGE 15 East



W-2104 (1)

Voyager Water Company



Voyager Water Company  
Docket No. W-2104-01-742  
Application for Extension

TOWNSHIP 15 South



**EXHIBIT A**  
**LEGAL DESCRIPTION**

Parcel 1

The East 3360.00 feet of the North 830.00 feet of Section 32, Township 15 South, Range 15 East, of the Gila and Salt River Meridian, Pima County, Arizona.

Parcel 2

A parcel of land located in Section 32, Township 15 South, Range 15 East, Gila and Salt River Meridian, Pima County, Arizona, more particularly described as follows:

Beginning at the Northwest Corner of Section 32,

Thence South  $89^{\circ} 51' 27''$  East, along the North line of said Section 32, a distance of 1923.63 feet,

Thence South  $00^{\circ} 01' 00''$  West, a distance of 830.00 feet,

Thence South  $89^{\circ} 51' 27''$  East, a distance of 3360.00 feet to the East line of said Section 32,

Thence South  $00^{\circ} 01' 00''$  West, along the East line a distance of 1803.47 feet, to the East Quarter Corner,

Thence continuing South  $00^{\circ} 01' 00''$  West along the East line a distance of 593.05 Feet,

Thence North  $89^{\circ} 51' 27''$  West, a distance of 630.00 feet,

Thence North  $63^{\circ} 16' 58''$  West, a distance of 541.24 feet,

Thence North  $66^{\circ} 16' 07''$  West, a distance of 501.00 feet,

Thence North  $84^{\circ} 54' 10''$  West, a distance of 513.99 feet,

Thence North  $77^{\circ} 32' 53''$  West, a distance of 559.62 feet,

Thence North  $62^{\circ} 55' 35''$  West, a distance of 516.57 feet,

Thence North  $48^{\circ} 05' 05''$  West, a distance of 467.74 feet,

Thence North  $57^{\circ} 39' 22''$  West, a distance of 546.31 feet,

Thence North  $63^{\circ} 01' 41''$  West, a distance of 471.41 feet,

Thence North  $71^{\circ} 43' 26''$  West, a distance of 727.29 feet,

Thence North  $89^{\circ} 58' 16''$  West, a distance of 272.53 feet, to the West line of said Section 32,

Thence North  $00^{\circ} 01' 44''$  East, along the West line of said Section 32, a distance of 1344.92 feet, to the point of beginning.

**REQUEST FOR HEARING DATE**

DATE TIME HEARING	CITY/LOCATION FOR HEARING

**DKT\_TYPE -NUMBER DIV -YEAR -MATTER COMPANY and DBA**

## CASE\_TYPE ASSIGNMENTS

W - 02104A - 01 - 0742	Voyager Water Company	Extension of Territory	STAFF <u>Fisher, Woller, Hains</u>	ESTIMATED TIME REQUIRED	
			LEGAL		
			HEARING <u>Wolf</u>		

**OTHER INFORMATION:**

12/05/2001 HEARING, LEGAL, 3 COMMISSIONERS COPIED WITH APPLICATION

**PLEASE RETURN ORIGINAL TO DOCKET CONTROL**

**DIVISION DIRECTOR**

**(SIGNATURE)**

**(DATE)**

DATE SENT  
TO LEGAL

**LEGAL DIVISION**

**(SIGNATURE)**

(DATE)

DATE SENT  
TO HEARING

**HEARING DIVISION**

**(SIGNATURE)**

(DATE)